

*Testimony of William Myers*

*Before the*

*Appropriations Committee*

*Friday, March 22, 2013*

Good morning Senator Harp, Representative Walker, and members of the Appropriations Committee,

My name is Bill Myers. I am an Elementary School Music teacher in South Windsor, CT and I'm in my 28<sup>th</sup> year of teaching. I hold an active teacher's seat on the State Teachers' Retirement Board and I am the Vice-Chair of the Board. Thank you for listening to me early in today's hearings. I'll go to my school after my testimony and teach 5 classes of adorable children.

Twice in my 4 years on the TRB we've selected vendors to manage the TRB's Medicare Supplemental Insurance Plan. It's a detailed and lengthy process. I'm impressed with the coverage and efficiency of the program. So are the State's Retired teachers. Participation in the plan grows every year. It is the envy of other state health plans due to its management and cost-effectiveness. The premium share for our retired members actually dropped in January!

I expect the Health Fund to be there for me when I retire, as do all of my colleagues. We'll contribute 45 million dollars into the fund this year and have faithfully paid into the fund every year since its inception.

The State's record in meeting its statutory share of the expenses is poor. It repeatedly ignores the law and under-contributes or contributes nothing at-all. The current Budget Proposal continues that trend, contributing nothing to the Health Fund for the next 2 years. That will mean zero contributions in 4 of the past 6 years, a gap of 100 million dollars. Teachers pay the entire bill when the State fails to contribute. The program is not set up for that, and that is why we're running out of money

A shortage in funding any year has lasting and increasing consequences to the Fund's ability to meet its obligations. We are now facing multiple years of underfunding. Our consultant tell us the Fund can survive for another year by drawing down on the current balance. However, the time soon comes when there will be a serious cash flow problem, perhaps even sooner than expected as unprecedented numbers of teachers reach retirement age.

Surely it is more prudent to fund the plan through steady, yearly contributions than it is to abruptly face a deficit of hundreds of millions of dollars 2, 3 or 4 years from now. I urge you to fully fund the TRB Health Plan in this budget cycle. Failing to do so will create larger fiscal problems in the near future. Let's not pass the buck to the future leaders of CT or onto the backs of 75 year old teachers. Please act now to ensure the solvency of the Retired Teacher's Health Insurance Fund.